



# STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL

DONALD W. DOWNES  
CHAIRPERSON

## THE ENERGY & TECHNOLOGY COMMITTEE

### House Bill 6634: AAC PROTECTING CERTAIN TELEPHONE AND TELEVISION CUSTOMERS

March 12, 2009

#### TESTIMONY OF CHAIRMAN DONALD W. DOWNES

The Department of Public Utility Control (Department) would like to comment on House Bill No. 6634. House Bill No. 6634 contains a series of provisions to expand the current definition of 'public service company', to provide for regulation of services which employ the internet and to promote greater access to the Connecticut Television Network. The Department will limit its comments on this bill to a discussion on Section 1.

The Department recognizes there is a debate concerning whether to regulate voice over Internet Protocol ("VoIP") providers as public service companies. However, this issue has been litigated for years now and the courts have all agreed, federal law preempts state regulation over this industry. Furthermore, the argument for zero regulation over these providers is that government interference would have a significant negative impact on the development and deployment of internet related service and hurt consumers who have enjoyed the benefits of this competitive and quickly evolving industry. Undoubtedly, in the Department's opinion, any further attempts to regulate these providers would lead to costly and potentially protracted litigation that would fall short of the goals expressed in this proposed bill. Furthermore, the Department is cognizant that the FCC has already addressed critical issues like 911, universal service regulation, and VoIP providers' obligation to cooperate with law enforcement on wiretapping.

Therefore, the Department believes this section is unnecessary and recommends that Section 1 of this bill be stricken since it is contrary to federal law. Moreover, the Department is concerned that interests of consumers will not be well served if the state chooses to expand its laws to regulate these providers and alter the existing hands-off policy that has led to real competition in Connecticut for these services and provided meaningful cost savings to voice customer.

The Department thanks the Committee for this opportunity to testify and is available for further questions.